

SENATE BILL REPORT

SB 5874

As Reported by Senate Committee On:
Government Operations & Elections, February 24, 2009

Title: An act relating to authority of the board of directors of a public facilities district.

Brief Description: Addressing the authority of the board of directors of a public facilities district.

Sponsors: Senators Marr and Schoesler.

Brief History:

Committee Activity: Government Operations & Elections: 2/24/09 [DP].

SENATE COMMITTEE ON GOVERNMENT OPERATIONS & ELECTIONS

Majority Report: Do pass.

Signed by Senators Fairley, Chair; Oemig, Vice Chair; Roach, Ranking Minority Member; McDermott, Pridemore and Swecker.

Staff: Edward Redmond (786-7471)

Background: Public facilities districts (PFDs) are municipal corporations created by a city, town, or county with independent taxing authority and are taxing districts under the State Constitution. PFDs perform specified functions related to the development, operation, and maintenance of specified categories of public facilities, including convention, conference, and special events centers; sports and entertainment facilities (county PFDs only); and related parking facilities.

PFDs are granted the authority to engage in a wide range of activities related to the development, operation, and maintenance of their statutorily authorized facilities, including buying or leasing property; entering into contracts; participating in interlocal agreements; imposing charges and fees for the use of facilities; imposing specified taxes; and issuing general obligation bonds and revenue bonds.

Both city and county PFDs are governed by an appointed board of directors (board) consisting of either five or seven members. Expenditures may be authorized by the board to inform the general public and to promote or advertise the district's facilities. However, such

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expenditures may not be used to prepare and distribute information to the public for the purpose of influencing the outcome of a district election.

Summary of Bill: A city or county PFD board must identify, in its annual budget, proposed expenditures for promotional activities. The board must adopt written rules governing promotional hosting by its employees, agents, and the board.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: This bill provides an economic development tool that is needed as we compete nationally for events at our facilities. We operate three facilities (Spokane arena, convention center, and the performing arts center), and have a big obligation to our tax base. We need to keep these buildings busy. We have lots of out-of-town guests coming to Spokane. Our Broadway series, for example, attracts 50 percent of the attendees from more than 100 miles away. And for the U.S. figure skating championship in 2010, we are hoping to see an economic impact of over \$25 million. Finally, we're an economic development engine for our restaurants, hotels, rental car companies, taxi cabs, and retail. All these things benefit when our facilities are busy. We need this bill to compete for business, and we ask for your support.

Persons Testifying: PRO: Kevin Twohig, Tom Parker, Spokane Public Facilities District.